



REPUBLIC OF THE PHILIPPINES
BUREAU OF THE TREASURY
INTRAMUROS, MANILA 2801

Funding the Republic

National Government Deficit for October Better Than Program by P3.1 Billion

17 November 2005, Manila, Philippines: The National Government incurred a deficit in October amounting to P7.1 billion, lower by P3.1 billion than the program for the month but higher than the deficit of P5.8 billion incurred during the same period last year. The January to October fiscal deficit reached P115.5 billion, registering an over performance of P40.5 billion compared with the programmed ceiling of P156.0 billion. This was way below the P147.7 billion deficit for the same period last year.

Revenue Performance

Revenue collections reached P71.7 billion for the month of October, higher than the programmed collection of P67.3 billion and up by 18% over last year's level. For January to October, revenues grew by 15 % compared to the same period last year to P577.0 billion. This is P13.5 billion excess over the first ten months program of P647.7 billion.

Revenue collecting agencies surpassed its revenue targets for the month. The Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) registered an excess of P0.6 billion and P0.2 billion or a growth of 21% and 29%, respectively, for October compared to same month last year. Actual collections for the month were recorded at P47.5 billion for BIR and P13.6 billion for BOC. Likewise, the Bureau of the Treasury, exceeded its income target by P3.1 billion. For the January to October period, BIR and BOC collections reached to P440.4 billion and P116.7 billion, lower than their program by P8.8 and P8.9 billion, respectively. BTr income amounted to P60.0 billion, P29.0 billion over the program and already surpassed its full year target.

Expenditures

Actual disbursements in October amounted to P78.7 billion. For January to October, total disbursements amounted to P776.7 billion, or P27.0 billion below the program and 7% higher than the comparable disbursements in 2004.

Primary Surplus

Netting out the interest payments in the expenditures, the National Government attained a primary surplus for the month amounting to P24.6 billion, better than the primary surplus experienced during the same period last year. Cumulatively, the primary surplus amounted to P151.4 billion for January to October or 92% higher than the amount recorded last year.

FISCAL PERFORMANCE

January to October 2005
(In Billion Pesos)

	October		2005 October Program	Percent Growth 2005/2004	Program vs Actual Amount
	Actual				
	2004	2005			
Deficit	-5.8	-7.1	-10.1	21.4	3.1
Revenues	60.6	71.7	67.3	18.3	4.3
Expenditures	66.4	78.7	77.4	18.6	1.3

	January to October		2005 Jan-Oct Program	Percent Growth 2005/2004	Program vs Actual Amount
	Actual				
	2004	2005			
Deficit	-147.7	-115.5	-156.0	-21.8	40.5
Revenues	577.0	661.2	647.7	14.6	13.5
Expenditures	724.7	776.7	803.7	7.2	-27.0

NATIONAL GOVERNMENT REVENUES

January to October 2005
(In Billion Pesos)

	October		2005 Oct Program	Percent Growth 2005/2004	Program vs Actual Amount
	Actual				
	2004	2005			
Revenues	60.6	71.7	67.3	18.4	4.3
BIR	39.3	47.5	46.9	20.8	0.6
BOC	10.5	13.6	13.4	29.2	0.2
BTr	6.2	6.0	2.9	-2.9	3.1
Other Offices	4.6	4.6	4.1	0.5	0.4

	January to October		2005 Jan-Oct Program	Percent Growth Growth	Program vs Actual Amount
	Actual				
	2004	2005			
Revenues	577.0	661.2	647.7	14.6	13.5
BIR	383.2	440.4	449.2	14.9	-8.8
BOC	102.3	116.7	125.6	14.1	-8.9
BTr	51.8	60.0	31.0	15.7	29.0
Other Offices	39.7	44.0	41.8	11.0	2.2

NATIONAL GOVERNMENT EXPENDITURES

January to October 2005

(In Billion Pesos)

	October		2005 Oct Program	Percent Growth 2005/2004	Program vs Actual Amount
	Actual				
	2004	2005			
Expenditures	66.4	78.7	77.4	18.6	1.3
Allotment to LGUs	11.8	13.1	n.a.	10.7	n.a.
Subsidy	0.5	0.5	n.a.	16.4	n.a.
Interest Payments	27.6	31.7	28.3	14.6	3.3
Equity	0.0	0.0	n.a.	0.0	n.a.
Net Lending	-5.3	-3.8	n.a.	-28.7	n.a.
Others	31.8	37.3	n.a.	17.1	n.a.

	January to October		2005 Jan-Oct Program	Percent Growth Growth	Program vs Actual Amount
	Actual				
	2004	2005			
Expenditures	724.7	776.7	803.7	7.2	-27.0
Allotment to LGUs	122.6	131.9	n.a.	7.5	n.a.
Subsidy	7.4	8.2	n.a.	10.8	n.a.
Interest Payments	226.7	267.0	270.9	17.8	-3.9
Equity	0.0	0.2	n.a.	555.2	n.a.
Net Lending	3.5	nil	n.a.	-98.8	n.a.
Others	364.5	369.4	n.a.	1.3	n.a.

NG PRIMARY SURPLUS / (DEFICIT)

January to October 2005

(In Billion Pesos)

	October		2005 Oct Program	Percent Growth 2005/2004	Program vs Actual Amount
	Actual				
	2004	2005			
Primary Surplus/(Deficit)	21.8	24.6	18.2	12.8	6.4
Revenues	60.6	71.7	67.3	18.3	4.3
Expenditures (Net of Interest Payments)	38.8	47.1	49.1	21.4	-2.0

	January to October		2005 Jan-Oct Program	Percent Growth 2005/2004	Program vs Actual Amount
	Actual				
	2004	2005			
Primary Surplus/(Deficit)	78.9	151.4	114.9	91.8	36.5
Revenues	577.0	661.2	647.7	14.6	13.5
Expenditures (Net of Interest Payments)	498.0	509.7	532.8	2.4	-23.0